



THE COMMONWEALTH OF MASSACHUSETTS

**DEPARTMENT OF
TELECOMMUNICATIONS & ENERGY**

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March 27, 2006

VIA EMAIL AND USPS

Cheryl M. Kimball, Esq.
Keegan Werlin LLP
265 Franklin Street
Boston MA 02110-3313

RE: Petition of NSTAR Gas Company for approval of a replacement agreement for
gas supply with Constellation Power Source, Inc., D.T.E. 06-10

Dear Attorney Kimball:

Enclosed please find the first set of information requests issued by the Department of Telecommunications and Energy in the above-captioned matter. Please submit NSTAR Gas Company's responses to the Department on or before 5:00 p.m., Monday, April 10, 2006. If you have any questions regarding the information requests, please contact me at 617-305-3561.

Sincerely,

/s/

Carol M. Pieper
Hearing Officer

Encs.

cc: D.T.E. 06-10 Service List (w/encs.)

**COMMONWEALTH OF MASSACHUSETTS
DEPARTMENT OF TELECOMMUNICATIONS AND ENERGY**

**FIRST SET OF INFORMATION REQUESTS OF THE
DEPARTMENT OF TELECOMMUNICATIONS AND ENERGY
TO NSTAR GAS COMPANY, D.T.E. 06-10**

Pursuant to 220 C.M.R. § 1.06(6)(c), the Department of Telecommunications and Energy (“Department”) submits to NSTAR Gas Company (“NSTAR”) the following Information Requests.

Instructions

The following instructions apply to this set of Information Requests and all subsequent Information Requests issued by the Department in this proceeding.

1. Each request should be answered in writing on a separate, three-hole punch page with a recitation of the request, a reference to the request number, the docket number of the case, and the name of the person responsible for the answer.
2. Do not wait for all answers to be completed before supplying answers. Provide the answers as they are completed.
3. These requests shall be deemed continuing so as to require further supplemental responses if NSTAR or its witnesses receives or generates additional information within the scope of these requests between the time of the original response and the close of the record in this proceeding.
4. The term “provide complete and detailed documentation” means:

Provide all data, assumptions and calculations relied upon. Provide the source of and basis for all data and assumptions employed. Include all studies, reports and planning documents from which data, estimates or assumptions were drawn and support for how the data or assumptions were used in developing the projections or estimates. Provide and explain all supporting workpapers.
5. The term “document” is used in its broadest sense and includes, without limitation, writings, drawings, graphs, charts, photographs, phono-records, microfilm, microfiche, computer printouts, correspondence, handwritten notes, records or reports, bills, checks, articles from journals or other sources and other data compilations from which information can be obtained and all copies of such documents that bear notations or other markings that differentiate such copies from the original.

6. If any one of these requests is ambiguous, notify the Hearing Officer so that the request may be clarified prior to the preparation of a written response.
7. Please file one copy of the responses with Mary L. Cottrell, Secretary of the Department; also submit two (2) copies of the responses to Carol M. Pieper, Hearing Officer, one (1) copy of the responses to Andreas Thanos, Assistant Director, Gas Division, and one (1) copy of the responses to Kenneth Dell Orto, Analyst, Gas Division.
8. In addition to filings, all non-proprietary responses should be submitted by e-mail to dte.efiling@state.ma.us and to the e-mail address of any party required to be served.
9. Responses are due on or before Monday, April 10, 2006.

Requests

- DTE-1-1 Refer to lines 4 through 9 on page 10 of Exhibit MAG-1. The Company states that in order to support the construction of incremental capacity, Union Gas Limited ("Union Gas") and TransCanada Pipelines Limited ("TransCanada") required participants to commit to ten-year contracts (from 2006 to 2016). To what extent did the prospect of committing to an additional five years beyond the termination dates of NSTAR's existing Tennessee and Iroquois transportation contracts deter the Company from executing contracts with Union Gas and TransCanada?
- DTE-1-2 Refer to lines 12 through 17 on page 10 of Exhibit MAG-1. Elaborate on the provisions concerning the allocation of project risk between the Alberta Northeast Gas, Ltd., ("ANE") Group and TransCanada. Can the Company quantify the risk and costs NSTAR customers would have been exposed to had the project been cancelled?
- DTE-1-3 During the request for proposal ("RFP") process, did the Company provide any RFP respondent with an opportunity to revise or change the terms of its original response?
- DTE-1-4 Refer to Table 1 on page 5 of Exhibit MAG-3. Is the configuration of the supplier evaluation criteria displayed in Table 1 (in terms of weighting) representative of the criteria used by the Company in the past to evaluate supply proposals?

DTE-1-5 Did the Company evaluate the final four responses to the RFP in accordance with the terms of the supplier evaluation criteria displayed in Table 1 in Exhibit MAG-3? If so, provide the Department with the Company's analysis and outline how each of the four final responses scored.

DTE-1-6 Refer to Exhibit MAG-4:

A) Explain why certain proposals received during the RFP process did not include an associated management fee.

B) Elaborate on the nature of management fees associated with the various Constellation Power Source, Inc. ("Constellation") proposals identified in this exhibit. What activities or responsibilities do these fees encompass as compensation to Constellation? Why do these fees vary across the range of proposals?

Dated: March 27, 2006